



QUARTERLY REPORT

2019

Q2

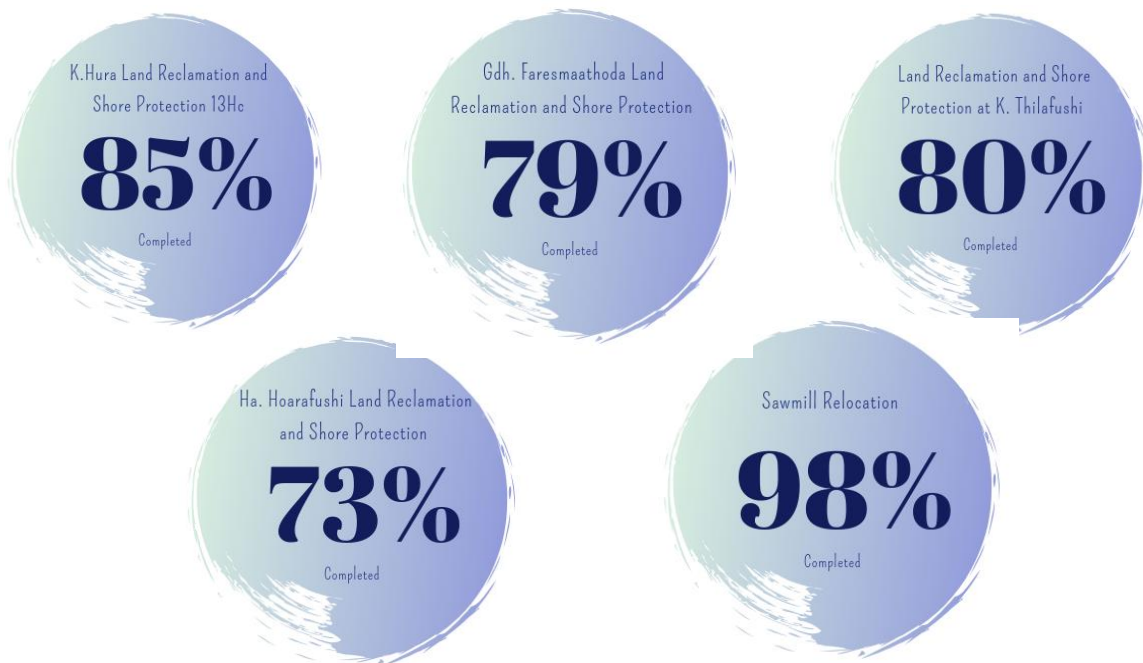
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KEY DEVELOPMENTS

During the 02nd Quarter of 2019, we progressed work on 33 Construction Projects out of which 02 projects were successfully completed. Work on 04 new projects commenced during the quarter while 13 new projects were awarded to us.

MTCC also carried out a total of 04 Dredging and Reclamation Project and 01 special project during the quarter. These include;



Our Public Ferry Transport reach was further extended during the quarter with the additional of new ferry routes between Th. Buruni and Dh. Kudahuvadhoo, along with the introduction of Speed Ferry Operation to Ha. And Hdh. Atolls. Additionally, a new Automatic Fare Collection (AFC) gate was installed at Ranna and Dhanna Gimatha Ferry Terminal on 21st April 2019.

CLUB MTCC

During the 02nd Quarter of 2019, MTCC participated in the TFG Long Run 2019 which was held on 19th April 2019 in Hulhumale. A total of 86 staff took part in the event, that included 5K, 10K, half marathon and marathon events.

MTCC also took part in the Club Maldives Cup 2019, a futsal competition for public and government organizations which was held from 12th April 2019 to 19th April 2019. On 22nd May 2019, MTCC also took part in Ooredoo Mas Race 1440, an annual fishing competition which was organized by Ooredoo Maldives for public, private and other institutions of the Maldives. Furthermore, MTCC participated in the Ramadan Cricket Carnival 1440 on 22nd May 2019.

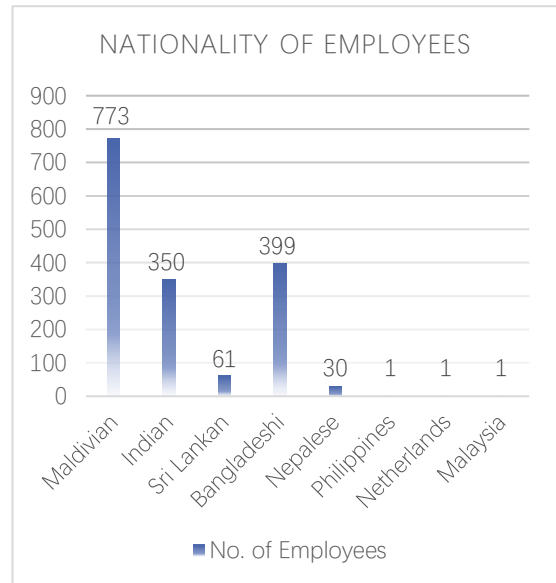
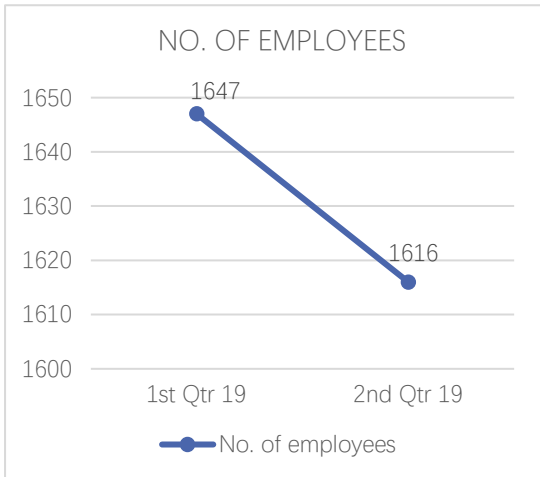
MARKETING ACTIVITIES

During the 02nd Quarter of 2019, Suzuki Roadha Promotion was launched at MTCC Kashavaru Showroom. This promotion was carried out from 02nd May to 12th June 2019. The main objective of this promotion was to increase sales for Suzuki outboard engines by providing discounts from 5% to 15% to our customers. The event was a huge success with a lot of media attention as it was broadcasted across the nation in various media platforms such as TV, News and Social Media.

MTCC also organized the Yanmar Service Campaign from 16th June to 19th June 2019. The main objective of this campaign was to create awareness among the existing customers on the importance of using genuine spare parts. During the campaign we identified the needs of our customers and gathered important information on the next overhaul schedule and the spare parts requirement of our customers. This service campaign was carried out at the local fish market, North Harbour, T-Jetty, VAMCO Jetty and the fish market at Hulhumale. Our technical team along with a team from Yanmar Asia inspected a total of 54 vessels during this event, assessing the engine conditions and giving recommendations to our customers.

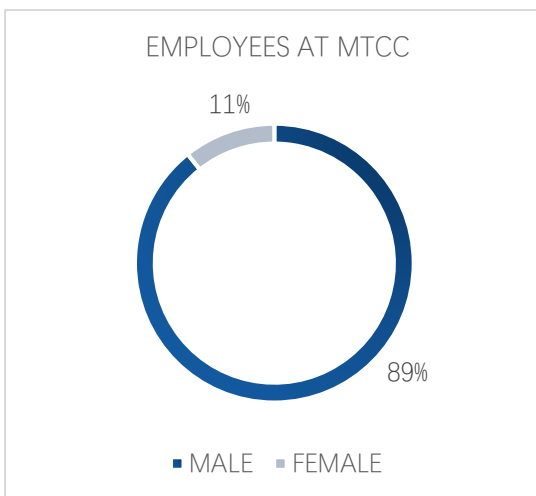
HUMAN DEVELOPMENT

By the end of the 02nd Quarter of 2019, there were a total of 1616 staff employed at MTCC, which is a 1.88% decrease in the number of employees compared to the 01st Quarter of 2019.



We are committed to effective employee training and development strategies to ensure that we have the adequate skills and expertise to drive our businesses.

We have always worked to ensure that our staff remains competent in their areas of work, with knowledge and expertise of the latest developments in their field. As such, during the last quarter a total of 44 staff were enrolled in various local and overseas training programs.



BOARD ACTIVITIES

BOARD OF DIRECTORS

The Board of Directors comprises of 07 directors. With respect to the shareholding of the Company 05 directors are appointed by the Government of Maldives and 02 directors are elected by the Public Shareholders at the Shareholder meeting.



Mr. Mohamed Faheem
Chairman
Non- Executive Director
(Government)



Mr. Hassan Shah
Executive Director
Chief Executive Officer
(Government)



Mr. Shahid Hussain Moosa
Executive Director
Chief Operating Officer
(Government)



Mr. Sinaan Ali
Non- Executive Director
(Government)



Mr. Abdulla Shairu
Non- Executive Director
(Government)



Mr. Nasrath Mohamed
Non- Executive Director
(Public)



Mr. Mansoor Zubair
Non- Executive Director
(Public)

BOARD MEETINGS

Frequency of board and committee meetings during the 02nd Quarter are as follows;

07

Board Meeting

07

Audit & Risk Committee

01

CGC Committee Meeting

04

N&R Committee Meeting

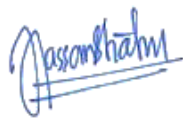
BOARD DECISIONS

- Approved 01st Quarter Report of 2019
 - Revised the MTCC Retirement Policy
 - Approved the Provisions to Financial Statements for the year 2018
 - Approved the Financial Statements for the year 2018
 - Decision to not provide dividend to shareholders for the year 2018
 - Approved Director's report for the year 2018
 - Decision to appoint PricewaterhouseCoopers as the company's external auditor for the year 2019
 - Nominated the applicants for Public Directorship voting at AGM 2018
 - Approved AGM 2018 agenda, notice, and event related forms
 - Approved disposal of fixed assets
 - Postponement of AGM 2018 event
-

FINANCIAL STATEMENTS

INCOME STATEMENT (UNAUDITED)

All amounts in MVR	2 nd Quarter 2019	1 st Quarter 2019
Sales	266,010,142	210,994,512
Cost of sales	(240,194,150)	(214,188,025)
Gross profit	25,815,992	(3,193,513)
Selling and marketing costs	(2,160,743)	(2,719,680)
Administrative expenses	(27,479,753)	(29,668,949)
Other income	3,187,855	3,500,266
Other expenses	(1,184,771)	(2,361,492)
Operating profit	(1,821,420)	(34,443,368)
Finance costs	(11,645,390)	(10,755,661)
Profit before tax	(13,466,810)	(45,199,029)
Business profit tax	(774,304)	-
Profit after tax	(14,214,114)	(45,199,029)



Hassan Shah
Chief Executive Officer



Mohamed Hilmy
Chief Financial Officer

BALANCE SHEET (UNAUDITED)

All amounts in MVR	2 nd Quarter 2019	1 st Quarter 2019
ASSETS		
Non-current assets		
Property, plant and equipment	917,405,453	943,222,209
Financial investments	50,921,700	50,921,700
Intangible assets	14,461,455	12,725,844
Deferred Tax	53,189,401	53,189,401
Trade and other Receivable	8,104,327	7,097,597
Total non-current assets	1,044,082,336	1,067,156,751
Current assets		
Inventories	212,795,745	204,572,647
Trade and other receivables	627,980,250	594,804,530
Cash and cash equivalents	47,243,966	23,956,503
Total current assets	888,019,961	823,333,680
TOTAL ASSETS	1,932,102,297	1,890,490,431
EQUITY AND LIABILITIES		
Share capital	40,188,745	40,188,745
Share Premium	173,151,693	173,151,693
General reserve	225,000,000	225,000,000
Fair value reserve	35,215,414	35,215,414
Advance received from shareholders	-	-
Retained earnings	401,728,073	415,969,187
Reserves	835,095,180	849,336,294
TOTAL EQUITY	875,283,925	889,525,039
Liabilities		
Borrowings	281,487,846	287,933,843
Employee Retirement Benefit	21,037,843	21,037,843
Total non-current liabilities	302,525,689	308,971,686
Trade and other payables	409,718,272	354,332,811
Borrowings	330,818,821	332,559,371
Bank overdrafts	13,755,590	5,101,524
Total current liabilities	754,292,683	691,993,706
Total liabilities	1,056,818,372	1,000,965,392
TOTAL EQUITY AND LIABILITIES	1,932,102,297	1,890,490,431

CASH FLOW STATEMENT (UNAUDITED)

Figures in MVR	2 nd Quarter 2019	1 st Quarter 2019
<u>Operating activities</u>		
Profit before tax for the period	(13,466,810)	(45,199,029)
Adjustment for:		
Depreciation & amortization	35,339,131	36,045,605
Provision for Inventory	1,500,000	-
Interest income	(59,200)	(55,532)
Interest expense	15,574,371	11,273,961
<u>Working capital adjustments</u>		
Decrease / (increase) in trade and other receivables	(34,182,450)	225,710,202
Decrease / (increase) in Inventories	(9,723,098)	3,533,598
(Decrease) / increase in trade and other payables	54,709,934	(203,269,846)
<i>Net cash flows from operating activities</i>	49,691,878	28,038,959
<u>Investing activities</u>		
Investments property plant & equipment	(11,257,986)	(14,242,331)
Interest received	59,200	55,532
<i>Net cash flows used in investing activities</i>	(11,198,786)	(14,186,799)
<u>Financing activities</u>		
Proceeds from borrowings	-	-
Repayment of borrowings	(8,186,547)	(28,391,013)
Proceeds from rights issue of share capital	-	-
Interest paid	(15,574,371)	(11,273,961)
Dividend paid	(98,777)	(299,460)
<i>Net cash flows from financing activities</i>	(23,859,695)	(39,964,434)
Net change in cash and cash equivalents	14,633,397	(26,112,274)
Cash and cash equivalents, and bank overdrafts- B/F	18,854,979	44,967,253
Cash and cash equivalents, and bank overdrafts – C/F	33,488,376	18,854,979

SEGMENTAL PERFORMANCE (UNAUDITED)

Period from 1 st April – 30 th June 2019	Total	Trading	Contracting	Dredging	Logistics	Transport	Engineering & Docking	Others
Revenue	266,010,142	66,797,324	144,756,789	23,842,789	4,913,804	21,610,332	4,089,104	-
Operating profit / (loss)	(1,821,420)	14,220,556	4,201,352	18,695,373	733,449	(22,245,353)	(1,967,541)	(15,459,256)
Finance income / (cost)	(11,645,390)	(1,042,417)	(2,782,116)	(6,296,868)	(984,999)	-	-	(538,990)
Profit / (loss) before tax	(13,466,810)	13,178,139	1,419,236	12,398,505	(251,550)	(22,245,353)	(1,967,541)	(15,998,246)
Business profit tax	(774,304)	-	-	-	-	-	-	(774,304)
Profit / (loss) after tax	(14,241,114)	13,178,139	1,419,236	12,398,505	(251,550)	(22,245,353)	(1,967,541)	(16,772,550)

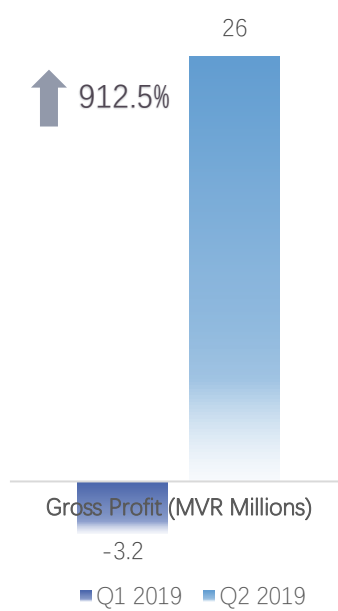
Period from 1st January – 31st March 2019	Total	Trading	Contracting	Dredging	Logistics	Transport	Engineering & Docking	Others
Revenue	210,994,512	63,694,359	77,137,457	42,128,983	1,833,721	22,896,558	3,303,434	-
Operating profit / (loss)	(34,443,368)	7,874,811	(6,510,717)	1,450,044	(6,632,025)	(12,458,832)	(1,714,192)	(16,452,457)
Finance income / (cost)	(10,755,661)	(877,801)	(2,206,708)	(6,359,089)	(896,039)	-	-	(416,024)
Profit / (loss) before tax	(45,199,029)	6,997,010	(8,717,425)	(4,909,045)	(7,528,064)	(12,458,832)	(1,714,192)	(16,868,481)
Business profit tax	-	-	-	-	-	-	-	-
Profit / (loss) after tax	(45,199,029)	6,997,010	(8,717,425)	(4,909,045)	(7,528,064)	(12,458,832)	(1,714,192)	(16,868,481)

FINANCIAL HIGHLIGHTS

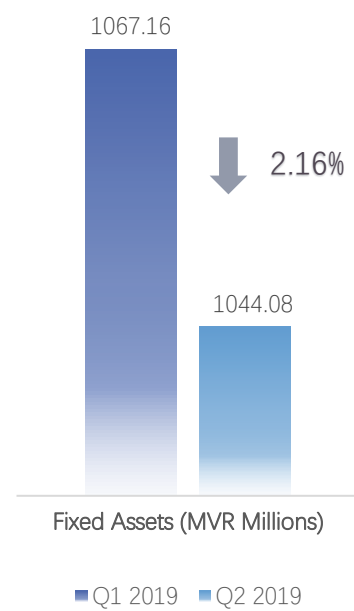
SALES



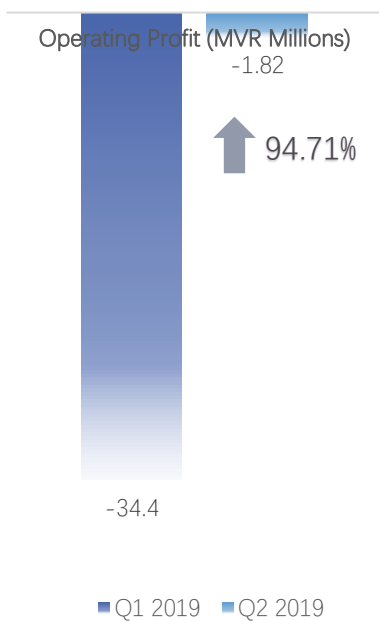
GROSS PROFIT



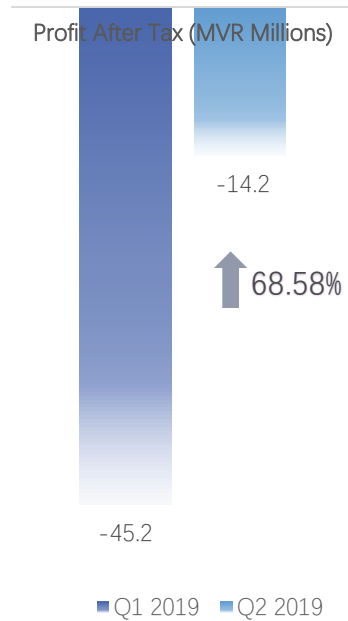
FIXED ASSETS



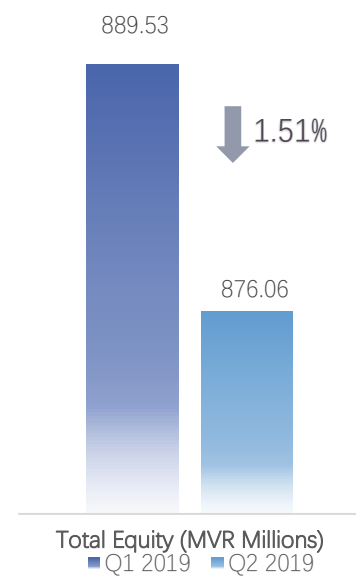
OPERATING PROFIT



PROFIT AFTER TAX



TOTAL EQUITY



OUR SHARE

We record no trading activity of the Company shares at Maldives Stock Exchange during the 02nd quarter. The last trading activity was carried out on 07th July 2019 at MVR 33.00.

The Dividend yield for MTCC Share is being calculated based on dividend value of MVR 2.60 approved by the Shareholders in the 2017 Annual General Meeting.

	02 nd Quarter, 2019	01 st Quarter, 2019
Lowest traded price (MVR)	33	16
Highest traded price (MVR)	35	45
Last traded price (MVR)	33	38
Weighted average traded price (MVR)	33.19	18.62
No. of shares traded	1130	6514
Market capitalization (MVR millions)	265	305
Dividend Yield	7.88%	6.84%
Earnings per share (MVR)	(1.77)	(5.623)
Price Earnings Ratio	(18.63)	(6.76)

DECLARATION

CORPORATE GOVERNANCE CODE AND LISTING RULES COMPLIANCE

The Company follows the Corporate Governance Code, Listing Rules, CDOI regulation and Securities Act. The Company complies with the provisions of its internal policies and procedures and other applicable rules and regulations and operate the company in fair and transparent manner.

RULES OF REPORTING

This Report has been prepared in compliance with CMDA's Minimum Quarterly Reporting Requirements for Listed Companies. The 02nd quarter report of 2019 includes the milestones achieved during the quarter.

It also includes the share activities at the Maldives Stock Exchange and discloses all information obligated by the Continuing Disclosure Obligations of Issuers of the Capital Market Development Authority.

Our Annual Report for the year 2018 was published on 26th May 2019, with the permission of Capital Market Development Authority due to the delay in publishing report as per the Continuing Disclosure Obligation of Issuers. The Annual General Meeting, which is required to be held within the first five months of the year was delayed to the month of June, with the approval of delay in publishing the Annual Report for 2018.

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